

SB-13-052

Wendy Amann is a structural consulting engineer representing ACEC/CO in support of the proposed SB-13-052. Her background and reasons for supporting the bill are as follows:

- Previous to her current employer, Wendy was president of a small, 10-person civil and structural consulting engineering firm
- In about 2007, 70-80% of the business for the structural engineers was multi-family projects and about 50% of the business for the civil engineers was land development for developers of such projects
- By 2010, all of such projects had stopped due to recession as well as costs associated with litigation
- Now, as the economy starts to recover, developers (including all of Wendy's previous clients) will not pursue multi-family projects because of concern about litigation – one previous client is actually converting a partially built condo project to apartments and will still realize a loss on the project when it is done
- At a recent NAIOP breakfast, Wendy questioned a couple of active developers in the metro Denver area asking if they would pursue multi-family projects and both said no – too worried about potential litigation costs
- Insurance companies will not insure consulting engineering firms that design multi-family projects or they force them to keep such business to less than 5% of the total company business. They also raise the rates for the engineers to the point that most smaller firms cannot afford the premiums whether the multi-family work is less than 5% of the business or not.
- TOD development is a significant portion of where the growth can occur in the metro Denver area – it is high density and embodies environmentally friendly growth.
- TOD development allows for increased transit transportation, reducing the number of cars on the roads and the accompanying pollution
- Developers will not look at TOD development unless it is “for rent” type product, avoiding costly litigation
- Apartments and “for-rent” type products do not allow for investment opportunities and don't encourage long-term living, which is what TOD developments need to continue to thrive and maintain the environmentally smart living they are designed to promote/support.
- The consulting engineering industry is realizing a significantly negative impact from the lack of multi-family projects that could be going up in TOD areas.
- This bill will allow developers to have a comfort level to build multi-family projects in TOD areas, which enhances sustainable living as well as provides smart growth in the metro Denver area
- Both the consulting engineering and construction industries would realize positive growth if this bill were to pass